

**USACE FINANCE CENTER
BIWEEKLY REPORT
PERIOD ENDING 13 April 2007**

I. UFC ISSUES:

A. Ms. Ellen Gibson, Chief of the CFO/Civil Reports Division, responded to action items from Office of the Secretary of Defense (Comptroller) (OSD (C) from their management level review of the 1st Quarter, FY 2007 civil works financial statements and notes. The CFO/Civil Reports Division also worked on monthly and quarterly reports and compilation of 2nd Quarter, FY 2007 financial statements and footnotes. We have an action plan in place to meet the reporting deadlines. Final statements and notes are due to (OSD (C) on 16 April. We participate in daily conference calls with DFAS-Indianapolis Agency-wide financial statement compilation team, the DFAS Centers, and (OSD (C) on the status of the quarterly financial statement compilation and any outstanding issues.

B. Ms. Ellen Gibson, Chief of the CFO/Civil Reports Division participated in a teleconference on the reporting of the Sport Fish Restoration and Boat Safety Trust Fund. Other participants were Office of Management and Budget (OMB), HQ USACE Finance and Accounting Policy, PricewaterhouseCoopers auditors, and DoDIG. We gave out input and concurrence with OMB's proposal to have the responsible program management agency report the entire fund rather than split the reporting among agencies that receive transfers from the trust fund.

C. Civil Works CFO Team accountants compiled and reconciled intra-governmental transactions and assigned trading partner codes. The automated elimination universes in CEEMIS were utilized for this effort. We performed a reconciliation of receivable/payable and revenue/expense with Defense Contract Audit Agency and DFAS. These agencies also hold a waiver from buyer-side elimination adjustments.

D. The Cash and Military Reports Division staff members are working with Phyllis Ritchie, F&A Officer, Gulf Region Division, to implement further procedures that will help to prevent duplicate cash payments being made in Iraq. The UFC has developed SOPs for UFC and GRD/PCO, which have been distributed to the deployable disbursing stations located throughout Iraq to use when processing cash payments in country. The procedures include forwarding supporting documents to the UFC for pre-

validation prior to making cash payments to the vendor. The UFC will verify in CEFMS that prior payment has not been made on the invoice and funds are available. The funds will be accrued upon approval to ensure additional payments cannot be made in CEFMS on the same invoice after pre-validation.

E. We entered a CEFMS problem report to automatically de-obligate TDY and Invitational travel orders that are marked final. The vouchers are manually de-obligated at the present time. We used the criteria of travel type = TDY or invitational; status = final; dollar amount less than \$2,000; over 30 days since settlement. A significant amount of manual effort will be decreased with this automatic process.

F. The UFC Military Reports Division staff conducted a conference call with Pamela Thompson and Karen Leonard from DFAS regarding balances in the Construction In Process (CIP) CEFMS general ledgers for cancelled appropriations. We provided a file of all Dept Code 21 and 97 CIP general ledger balances that are in cancelled appropriations. This file was uploaded to the DFAS E-portal so other agencies and entities involved in Military CFO reporting will have access to it. The UFC Military Reports Division staff began working with the district personnel, to include project managers, to determine the status of the CIP balances in these closed appropriations and to get copies of interim and final signed DD Form 1354 Transfer and Acceptance of Military Real Property for these projects. These documents have been requested by other agencies for supporting documentation associated with CFO reporting and audit support.

G. UFC conducted another conference call with DFAS and HQUSACE personnel to discuss the revenue generated from the sale and lease of BRAC assets. UFC staff, based on the outcome of the conference call, will begin to move previous collections of BRAC revenue from Suspense account to the Treasury Miscellaneous Receipt account for collections made against closed BRAC sites. DFAS staff will then move the balances reported by USACE from the Miscellaneous Receipt account to the BRAC account.

H. U.S. Army COL C. A. Cruse visited the UFC on 4 Apr 07. COL Cruse will become Comptroller for the Multi-National Security Transition Command - Iraq (MNSTC-I) Finance in June 07. During his visit, he met with the Finance Center Director and staff who support MNSTC-I in the GRD database. The meeting included a discussion of UFC policies and procedures and details of the support that we provide to his organization. We also discussed the challenges that face both organizations, including

accurate and timely payments and the need to reduce Prompt Payment Act interest. COL Cruse and UFC personnel agreed that our organizations will be mutually supportive in working our Iraqi challenges.

I. The UFC Travel Division is currently processing PCS vouchers received on 2 April 07.

J. The Relocation Income Tax Allowance (RITA) rates have been received for calendar year (CY) 2006. The Travel Division will begin email notification to those DoD civilian employees who received taxable reimbursement for moving expenses in CY 2006, notifying them that they must submit a RITA claim in CY 2007.

K. Three individuals from the UFC attended an A-76 Cost Tracking Tool (ACTT) training session in Huntsville, AL 2-4 April 2007. The ACTT tracking tool was developed by the Air Force as a standardized and automated tool for tracking and reporting post competition performance costs of a Most Efficient Organization (MEO). The UFC will use the tool for tracking and reporting the MEO costs based on the government's winning bid in the Finance Center's competitive sourcing study.

L. Two UFC Accounts Payable employees were scheduled to visit the Gulf Region Division in late April 07. The purpose of the visit was to exchange information on process and procedures in an effort to ensure timely and accurate vendor payments. One of the primary goals is a reduction in Prompt Payment interest payments. The visit has been delayed until June or later due to a restriction on travel to Iraq.

II. ACCOUNTING OPERATIONS:

A. NUMBER AND LOCATION OF ONBOARD PERSONNEL

<u>LOCATION</u>	<u>ONBOARD</u>
MILLINGTON:	214
HUNTSVILLE:	23
USACE HQ:	1
TOTAL:	238

B. DISBURSING WORKLOAD DATA

PAYMENT	CURRENT MONTH 01-10 Apr	YEAR TO DATE 01-Oct-10 Apr 07
CHECKS:		
CHECKS ISSUED	2,103	49,125
PERCENT OF TOTAL	4%	8%
DOLLAR AMOUNT	\$72,015,710	\$639,794,071
EFT:		
TRANSFERS MADE	23,806	331,508
PERCENT OF TOTAL	96 %	92%
DOLLAR AMOUNT	\$877,993,456	\$12,284,791,188

*percentages adjusted for utility checks which do not have to participate in EFT

III. CEFMS:

A. We coordinated with the UFC with numerous phone calls, meetings, and emails relating to the consolidation of logistics management employees into the USACE Logistics Activity. We also notified all USACE activity Customer Service Representatives (CSRs) the order in which they needed to proceed with executing their personnel interface, executing a script provided by the CEFMS office related to the logistics transfer, and opening of new pay period ending 14-Apr-07. We monitored each USACE activity's progress for each step of this project.

B. We completed the review/update of the Funding Users Manual. The updates to the manual were comprehensive. A release notice was sent to all CEFMS funding users advising that the revised manual was available.

C. We implemented an improved customer order acceptance view which can be emailed to non-Corps activities instead of having to be printed, faxed and/or mailed. The acceptance form (i.e., DD448-2) was reduced to one page. Additionally, the form now has lines outlining the data on the form and is easier to read. Also, the person accepting the customer order can now click on a new acceptance button to email the acceptance to Non-Corps activities from the customer order acceptance screen. Customer order acceptances can also be emailed from the customer order reports menu. All standard DOD/DA forms within CEFMS (e.g. Travel Requests, Travel Vouchers, Orders for Services, Purchase Requests and Commitments, Customer Order Acceptances, etc.) that

contained lines and/or boxes were enhanced to restore the lines that outline the data on the form. We sent a release notice to all users with the co_accept role (customer order acceptance) advising of these changes and of the specific steps needed to email a customer order acceptance from either the customer order acceptance screen or the customer order reports menu.

D. We developed a division level Cost Share Close Out Status spreadsheet as of 23 March 2007 identifying cost share training dates, number of people trained, cost share projects to be closed when cost share training was completed and current number of cost share which need to be closed. We provided this information to Bill Holtzman, CERM-F, for briefing at the Finance & Accounting Officer Workshop.

E. We provided a 31 March 2007 Cost Share Close Out Status Report to SPD, SAD, NAD, ORD, MVD, POD, NWD and SWD Resource Managers and Finance Officers identifying by Division the number of cost share projects which had be closed since completion of their cost share training. Closing these projects is important because it affects the revenue we report on our financial statements. To correctly report our revenues on our year-end financial statements, the completed cost share projects need to be closed. Six of eight of our Divisions received cost share training which emphasized the closing of these projects. One Division is scheduled for training the week of 30 April 2007 (NWD) and one Division (POD) was offered but did not request the cost share training. We requested management support for getting these completed cost share projects closed. The status report will be provided each month to insure Division Resource Managers and Finance Officers are informed of the progress being made in closing completed cost share projects. The Status Report is also being provided to CERM-F.

F. We changed the cost share automated withdrawal process (CSAWP) to execute on the last day of the month instead of the 14th, based on the recommendation of the PwC auditors. We also changed the send date of following reports/emails from the 15th of the month to the 1st of the month to coincide with the new CSAWP withdrawal date. A release notice was sent to members of the cost share users group advising of these changes.

G. We are currently working on the Enterprise Data Warehouse Proof of Concept for CEFMS reports. The 2006 end-of-year CEFMS databases were loaded to a Netezza platform located at the Central Processing Center. We are converting several CEFMS reports to Business Objects and comparing the output with the

CEFMS generated reports to ensure the results are the same. We are converting district reports, corporate reports, and regional reports. The use of the new software has been a learning experience and many of the assumptions made at the beginning of the pilot have been adjusted. We will continue this effort for another week, report the results to CECI, and then begin Phase 2 of the pilot to load current year data for one region using the IBM Ascential ETL tool to load the data to Netezza. This part of the pilot is will be more in line with the ultimate architecture that will be used in production. It has already become obvious that the Data Warehouse development will be a very complex and time-consuming project.

H. We completed and moved to production changes to the RMS interface which will make the period of performance dates mandatory on all uploaded pay estimates. This change was prompted by the results of the FY2006 audit, as there was difficulty providing adequate audit support for accruals on construction contracts and linking the accruals to the subsequent payments made as progress payments. The progress payment form in CEFMS was also modified to require the period of performance dates when creating or updating the progress payments manually entered into the system.

I. We have been reviewing a problem report entered by a USACE activity related to Prompt Pay Interest penalties. The report suggests messages and edits to be placed in the system as a means to prevent users from entering improper dates. This subject was also under discussion at the F&A Officers conference held of 27 - 29 Mar 07. The USACE activity and this office are currently considering options and will make changes in the system as decisions are reached.

J. We continue to work on a system change to allow the UFC Accounts Receivable/Debt Management Division to clear years' worth of rejected customer order billings that have been manually processed or cleared through collection actions. Since the deployment of the Government Order Customer Order (GOCO) automated transmission of the customer order billings between USACE activities, hundreds of bills have rejected for various reasons and later, the bills were manually recorded on the requesting activities' databases. Those rejected bills remain in a status that would allow them to be re-transmitted; and therefore, they need to be cleared from the transmission screens. We will be releasing this CEFMS change soon.

IV. PROBLEM REPORTS/IMBALANCES:

A. Open problem report inventory:

	<u>This Report</u>	<u>Last Report</u>
Total Problems	746	728
Priority #1 Problems	99	100

We received 138 new problem reports and completed 120 problem reports.

B. Database Imbalances on our 59 Production Activities:

<u># of Imbalances</u>	<u>This Report</u>	<u>Last Report</u>
None	56	56
One	2	1
Two	1	1
Three	0	1